GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

STARRED QUESTION NO:304
ANSWERED ON:06.12.2007
FUNDS FROM ASIAN DEVELOPMENT BANK
Gaddigoudar Shri P.C.

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Asian Development Bank (ADB) has agreed to fund the construction of some railway lines;

(b) if so, the details thereof especially with reference to the state of Karnataka; and

(c) the details of the terms of assistance being extended by ADB?

Answer

MINISTER OF RAILWAYS (SHRI LALU PRASAD)

(a) to (c): A Statement is laid on the Table of the Sabha

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF STARRED QUESTION NO. 304 BY SHRI P. C. GADDIGOUDAR TO BE ANSWERED IN LOK SABHA ON 06.12.2007 REGARDING FUNDS FROM ASIAN DEVELOPMENT BANK

(a) to (c): The Asian Development Bank (ADB) is funding eight railway projects on Indian Railways involving a loan amount of US $ 212.3 million as part of Railway Sector Improvement Project with the objective of enhancing capacity of the rail network and improving operational efficiency/safety. The projects are being executed by Rail Vikas Nigam Limited (RVNL), a Public Sector Enterprise under the Ministry of Railways. An amount of approximately US $ 49.688 million has been utilized from the loan so far.

The details of Railway projects for which assistance from Asian Development Bank is being received are as under:-

S.No.	Name of the Project	States	Length Km	Type of Project	Anticipated date of completion
1.	2nd bridge over river Mahanadi	Orissa	2	Bridge	22-04-08
2.	Cuttack-Barang	Orissa	14.3	Doubling	01-11-08
3.	Rajatgarh. Barang Doubling	Orissa	29.3	Doubling	01-11-08
4.	Gooty-Pullampet Doubling	A.P.	151	Doubling	29-06-09
5.	Barang-Khurda Road 3rd Line	Orissa	32.3	3rd line	01-11-08
6.	Bhatapara-Urkura 3rd Line	Chatti-sgarh	60	3rd line	04-04-09
7	Aligarh-Ghaziabad 3rd Line	U.P.	106.15	3rd line	13-07-08
8.	Thiruvalur-Arakkonam 3rd Line	Tamil Nadu	26.83	3rd Line	28-02-08

There is no project being financed from Asian Development Bank in Karnataka state.

The terms of the ADB Loan are as under:-

(i) The projects are being funded partly by the ADB loan and partly by Railways own resources.

(ii) The loan carries variable interest rate roughly equal to 6 month London Inter-bank Offered Rate (LIBOR) plus a spread.

(iii) Repayment has to be made in 20 years with 5 years grace period.

(iv) Commitment charges of 0.75% per annum is payable on the un-drawn portion of the loan as per the terms agreed to.

(v) ADB has to be paid front end fee in an amount equal to 1% of the loan amount.